



News Release

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SBA RECOGNIZES MIDDLETOWN COMPANY FOR ITS ACCOMPLISHMENTS IN THE INTERNATIONAL MARKETPLACE

Hartford – The U.S. Small Business Administration (SBA) has named **Pegasus Manufacturing, Inc.** located in Middletown 2005 Small Business Exporter of the Year.

“We are proud to recognize Pegasus Manufacturing, Inc. for its accomplishments in the international marketplace,” said the SBA’s New England Regional Administrator Charles E. Summers, Jr. “It is very difficult for American small companies to compete abroad and Pegasus Manufacturing, Inc. is a credit to small business innovation and success everywhere.”

In 1989 Vincent DiPentima and his son Todd DiPentima entered the world of manufacturing. The father and son had previously established careers in finance but saw an opportunity where many others saw a dilemma.

With financial pressures mounting on a small Connecticut job shop most analysts saw a company on the verge of extinction. Vincent and Todd saw a different picture. They saw an opportunity to build their own small business. In order to do so they had to recognize their strengths and how they could find support for their weaknesses. Their financial background and analytic abilities would clearly be strength, as would an infusion of personal capital. In short order, they purchased the assets of the distressed firms and addressed their lack of financial expertise and outdated manufacturing philosophies. The hidden element was the entrepreneurial drive they possessed and were willing to dedicate what would become “Pegasus Manufacturing, Inc.”

The Pegasus in Greek mythology is a symbol of high-flying imagination. The rise of Pegasus Manufacturing over the past fifteen years has been far from imaginary. Today the company is a bustling, high quality manufacturer of parts and assemblies, which are critical elements of products we rely on every day. They also provide design, engineering and inspection services as part of a unique contract manufacturing facility with a rare blend of highly qualified capacities and competencies. In 2003, one more key addition was made to the organization in the name of Chris DiPentima, the son & brother of Vincent & Todd. Chris is an experienced attorney who brings professional disciplines that allows the DiPentima's to bring Pegasus to an even higher level of growth throw acquisition and overall administrative

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organization. Today, Pegasus Manufacturing is experiencing record sales growth into global markets and expansion by employing a highly skilled and trained workforce in excess of 125.

So, how has a firm like Pegasus grown while other manufacturers around them have struggled in a globally competitive environment? According to Todd DiPentima, the source of their growth and success rests in a commitment to deliver and expand their core competencies. They have done so through a combination of internal growth and acquisition of other synergistic firms. Focused on diversification of production capacities and likewise a diversification of their base of customers, Pegasus had positioned itself to be flexible with regard to cyclical trends within a particular industry.

This flexibility has allowed them to limit the peaks and valleys of activity that provides major challenges to most manufacturing contractors. Their list of clients today shows a broad array of fortune 500 companies in fields as diverse as power generation, food processing, medical equipment, aerospace, computer chip manufacturers, Government and more.

In an effort to further diversify into the global marketplace, Pegasus has recognized that in order to grow the company, they would need to receive the global quality certifications to demonstrate the excellence in quality and process at Pegasus. To this end, they committed to the rigorous training and examination process that resulted in the granting of STTR-R, ISO 9001-2000 and ANSI-RAB certification in 2003.

These certifications have allowed them to take a step forward in expanding the reach of Pegasus Manufacturing into the international manufacturing market. While the products manufactured by Pegasus have long been internal components of exported jet engines, power turbines and other commodities, their products were rarely sold directly to foreign customers. The certifications and corporate emphasis have changed that and taken their direct exports to a new level.

From 1989 to 2002 their "direct exports" were a negligible component of a growing company. In 2003 when their latest certifications were obtained the direct export of products grew three fold to almost \$100,000 or 1.5% of total sales. At the close of 2004 over \$850,000 is directly attributed to export sales which accounts for approximately 7% of total sales and between 20 and 25% of the firms overall growth of 50% in sales for 2004. In 2005 projections for export growth continue to rise as they develop client relationships and display that far from Greek mythology, Pegasus means quality and reliability.

The growth in sales of the overall company and their recent expansion of export capacities and emphasis has been a source for increased employment in the area. In recent months, they have expanded their staff to over 30 employees and are currently reconfiguring their production facility to accommodate additional machinery, equipment and personnel.

As an exporter, Pegasus Manufacturing has begun on the path to completing one more phase of their product and customer diversification. Their growth to date has been impressive and consistent with their prior growth in domestic markets. In doing so their effort will help assure that the quality workmanship will continue to be done by American workers and Pegasus will continue to grow and prosper.

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Connecticut award recipients will be honored at an awards reception on Thursday May 19, 2005. If you would like more information on the reception or next year's nominations contact (860) 240-4700 or visit www.sba.gov/ct.

Small businesses have been essential to sustaining our nation's and our state's economic health. Entrepreneurs and advocates play a vital role in the ongoing business development efforts, and their accomplishments are worthy of recognition. The nomination process begins in September of each year and is coordinated by your local SBA office.

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